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DIFFERENTIAL POPULATION GROWTH

On April 1, 1980, the Twentieth Decennial Census of Population and Housing will officially begin. Even now an interesting map can be drawn using *estimates* of the population recently published by the Bureau of the Census for 1979: the area of relatively slow growth is a solid band of states stretching from southern New England to the Great Plains. All of the states which failed to grow by at least 8.3% (the national average) from 1970 to 1979 are in that solid group shown on the accompanying map.

Only three states, Rhode Island, New York and Pennsylvania, have actually declined in population in the '70s. Another nine states, however, including Massachusetts, New Jersey, Ohio, Indiana, Illinois, Michigan, and Missouri, have grown by less than half the national average over a span of nine years. The above average growth rates were occurring in a solid band from Virginia to Florida, then west to the Pacific and north along the Rocky Mountains to the Canadian border. The three states of northern New England, Maine, New Hampshire, and Vermont, form a pocket of above average growth.

The 1980 Census will tend to confirm these findings and to give depth to our understanding of the nature of this dramatic geographic split in the pattern of population growth.

The shift in population can be measured as the difference between a state's growth and the nation's overall growth rate. Indiana's population grew by 3.9% from 1970 to 1979; this compared with a national growth rate of 8.3%. Thus with 2.5% of the nation's people in 1970, the state had only 1.2% of the growth in population for the decade. If the state had grown at the national rate, that is, had a share of growth equal to its starting share of population, the total population in 1979 would have been 5,624,00 instead of the 5,400,000 estimated for last

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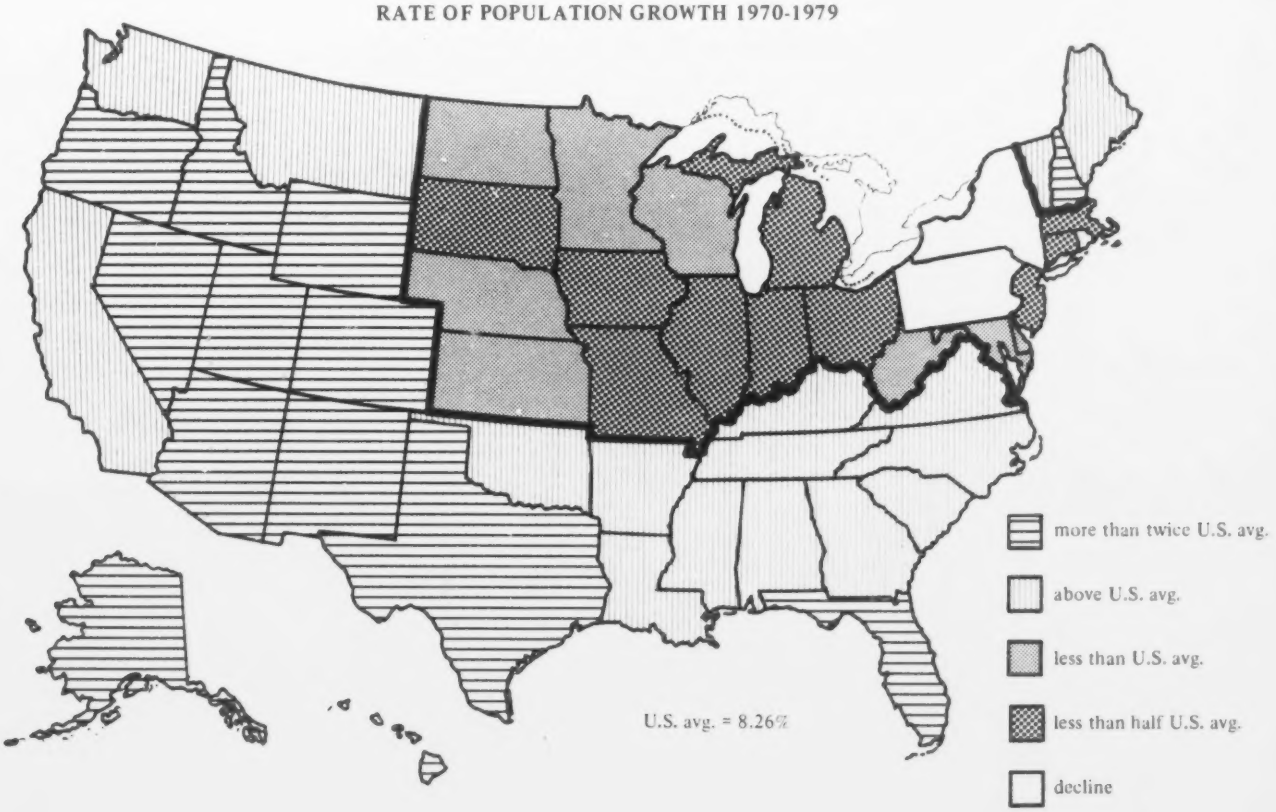
RATE OF POPULATION GROWTH 1970-1979



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year. This difference of 224,000 can be termed an outward shift of population. In all, twenty-one states had an outward shift of population, redistributing the nation's people to the remaining twenty-nine states. (See table below.)

New York had the greatest outward shift, totaling nearly 2.1 million persons. Massachusetts was a distant second, with a 1-million-person outward shift in population, followed closely by Ohio and Michigan.

The big gainer in the population shift was Florida. Although California had the greatest increase in population (2.7 million persons), Florida had the greatest gain from the national population shift, a total of 1.5 million persons. In other words, nearly three-fourths of the growth in Florida's population came from a national shift in population; only 40% of California's growth was a result of this shifting pattern of residential preference and economic opportunity. The population shift from the industrial belt of states during the 1970-79 period approached 6.5 million persons. The 1980 Census will give us the details of this vast movement of the American people. It will be some time before we can determine whether this movement is solely an expression of free market choices or is the consequence of an implicit policy of investment and incentive which has encouraged a massive population shift in the past nine years.

— MJM

ESTIMATED POPULATION CHANGE AND SHIFT 1970-1979

State/Region	*Population Change (000)*	*Population Shift (000)*
Maine	103	21
New Hampshire	149	88
Vermont	49	12
Massachusetts	80	– 390
Rhode Island	– 20	– 98
Connecticut	83	– 168
New England	**444**	**– 535**
New York	–592	–2,099
New Jersey	161	– 431
Pennsylvania	– 70	–1,045
Middle Atlantic	**–500**	**–3,575**
Ohio	74	– 806
Indiana	205	– 224
Illinois	119	– 799
Michigan	326	– 408
Wisconsin	302	– 63
East North Central	**1,026**	**–2,300**
Minnesota	254	– 60
Iowa	77	– 156
Missouri	190	– 196
North Dakota	39	– 12
South Dakota	23	– 32
Nebraska	89	– 34
Kansas	120	– 66
West North Central	**792**	**– 556**
Delaware	34	– 11
Maryland	225	– 99
District of Columbia	–101	– 163
Virginia	545	161
West Virginia	134	– 10
North Carolina	522	102
South Carolina	342	128
Georgia	530	151
Florida	2,069	1,508
South Atlantic	**4,298**	**1,763**
Kentucky	306	40
Tennessee	454	130
Alabama	325	40
Mississippi	189	6
East South Central	**1,274**	**216**
Arkansas	257	98
Louisiana	382	81
Oklahoma	332	121
Texas	2,186	1,261
West South Central	**3,157**	**1,561**
Montana	92	35
Idaho	192	133
Wyoming	117	90
Colorado	563	380
New Mexico	224	140
Arizona	675	528
Utah	308	220
Nevada	213	172
Mountain	**2,384**	**1,698**
Washington	513	231
Oregon	436	263
California	2,725	1,075
Alaska	104	79
Hawaii	145	81
Pacific	**3,922**	**1,729**

Source: U.S. Bureau of the Census P-25, 868 and calculations of the Division of Research.
Note: Detail may not add to totals due to rounding.

UNITED STATES BUSINESS INDICATORS

Quarterly Data

	Seasonally Adjusted at Annual Rates ($ billions)				*Percentage Change at Annual Rates*			
	Latest Quarter		*Previous Quarter*	*One Year Ago*	*Latest Quarter*		*Previous Quarter*	*One Year Ago*
Gross national product (GNP)	1979:4	2,455.8	2,396.5	2,235.2	1979:4	10.3	12.0	14.8
GNP ($1972)	1979:4	1,438.4	1,433.3	1,426.6	1979:4	1.4	3.1	5.6
GNP potential level ($1972)	1979:2	1,460.1	1,449.4	1,417.7	1979:2	3.0	3.0	3.0
Government purchases	1979:4	499.8	477.8	453.8	1979:4	19.7	10.0	12.2
Personal consumption expenditures	1979:4	1,580.4	1,528.6	1,415.4	1979:4	14.3	15.1	14.2
Private domestic investment	1979:4	383.3	392.3	370.5	1979:4	–8.9	–3.1	17.1
Corporate profits before tax	1979:3	242.3	227.9	212.0	1979:3	27.8	–8.9	9.6
Change in business inventories	1979:4	6.4	14.5	20.6	1979:4	–	–	–
Federal surplus–deficit (NIA)	1979:3	–11.3	–7.0	–20.4	1979:3	–	–	–

UNITED STATES BUSINESS INDICATORS (continued)

Monthly Data

		Current Levels or Annual Rates				Percentage Change at Annual Rates		
	Latest Month		Previous Month	One Year Ago	Latest Month		Previous Month	One Year Ago
All urban consumer price index[1]	Dec.	230.3	227.5	203.3	Dec.	15.8	12.4	8.0
All urban CPI–food[1]	Dec.	243.4	240.2	221.3	Dec.	17.2	6.7	12.1
Wholesale price index[1]	Dec.	250.1	247.8	218.1	Dec.	11.7	14.1	9.2
Money supply[2]	Dec.	382.1	380.4	361.5	Dec.	5.5	1.3	2.7
Money supply plus time deposits[2]	Dec.	952.6	948.3	879.0	Dec.	5.6	6.5	4.8
Mobile home shipments[3]	Nov.	257.0	293.0	280.0	Nov.	–79.3	191.6	–22.5
Mortgages–outstanding[4]	Dec.	475.7	474.7	432.8	Dec.	2.5	6.5	10.0
Mortgages–new issues[4]	Dec.	60.9	91.4	101.1	–	–	–	–
Mortgage rate–new issues[5]	Dec.	11.7	11.4	10.0	–	–	–	–
Prime rate business loans[5]	Jan.	15.3	15.3	11.8	–	–	–	–

[1] Base period: 1967 = 100
[2] $ billions
[3] Thousands of units
[4] $ billions, all savings and loan associations
[5] Percent

UNITED STATES–INDIANA BUSINESS INDICATORS*

(Seasonally adjusted indexes unless otherwise noted; base period: 1967 = 100)

		United States				Indiana		
	Latest Month		Previous Month	One Year Ago	Latest Month		Previous Month	One Year Ago
EMPLOYMENT								
Nonagricultural employment	Jan.	137.6	137.1	134.4	Dec.	126.8	125.9	124.8
Manufacturing employment	Jan.	107.3	107.4	107.8	Dec.	100.4	100.1	105.8
Average weekly hours (No.)†	Jan.	39.9	41.0	40.1	Dec.	40.9	40.3	41.9
Average weekly earnings ($)†	Jan.	277.31	285.36	260.25	Dec.	330.06	320.79	316.35
Nonmanufacturing employment	Jan.	150.1	149.7	145.4	Dec.	144.3	143.6	137.2
Unemployment rate (%)	Jan.	6.2	5.9	5.8	Dec.	N.A.	7.4	6.0
Unemployment–married males (%)	Jan.	3.4	2.8	2.6	–	–	–	–
Continued unemployment claims	–	–	–	–	Dec.	296.7	303.0	128.5
PRODUCTION								
Bituminous coal production	Nov.	140.0	139.4	144.7	–	–	–	–
Industrial electricity production	Sept.	155.1	158.0	154.3	–	–	–	–
Industrial electricity sales	–	–	–	–	Dec.	108.0	163.3	176.9
Manufacturing production	Dec.	153.1	152.6	152.9	Dec.	148.0	154.0	159.5
Raw steel production	–	102.7	102.5	120.7	Dec.	121.4	118.9	152.4
CONSTRUCTION								
Construction activity–total	Dec.	309.3	306.5	288.2	Dec.	297.0	285.9	486.2
Residential housing starts	Dec.	118.9	118.5	161.4	Dec.	79.4	99.5	115.7
Residential expenditures	Dec.	393.1	390.4	392.9	Dec.	351.9	376.4	407.4
Nonresidential expenditures	Dec.	268.4	265.5	237.1	Dec.	226.9	213.0	185.0
Public expenditures	Dec.	199.6	202.3	192.7	–	–	–	–
Public works and utilities	–	–	–	–	Dec.	304.1	299.9	1,057.1
OTHER INDICATORS								
Personal income per capita ($)	Oct.	8,940.9	8,862.0	8,117.4	1979:3	8,595.0	8,428.0	7,774.0
Passenger car sales (thousands)†	Dec.	733.0	775.0	769.0	Nov.	17.5	21.4	22.0
Year to date (thousands)	Dec.	10,671.0	9,938.0	11,311.0	Nov.	235.8	218.3	256.6

*Current indicators are preliminary and subject to revision
†Not seasonally adjusted

SOURCES: Data on Indiana construction from McGraw-Hill Information Systems Company; Indiana passenger car registration from R. L. Polk & Co.; indexes of raw steel production for the United States and Indiana courtesy of American Iron and Steel Institute, Washington, D.C.; all other data from U.S. and Indiana government agencies and Division of Research, School of Business, Indiana University.

INDIANA LOCAL INDICATORS
(Seasonally adjusted indexes; base period: 1967 = 100)

	Continued Unemployment Claims			*Industrial Electricity Sales*		
Reporting Cities	*Dec. 1979*	*Nov. 1979*	*Dec. 1978*	*Dec. 1979*	*Nov. 1979*	*Dec. 1978*
Anderson	701.5	549.6	185.9	126.2	149.0	144.5
Bedford	139.8	104.1	63.4	233.8	220.5	229.0
Bloomington	148.0	170.7	110.8	81.2	86.9	85.9
Columbus	165.8	118.4	89.2	166.0	167.2	169.0
Connersville	273.0	196.7	89.7	108.8	133.0	136.7
Crawfordsville	757.0	566.1	407.8	190.4	179.0	186.1
East Chicago	316.4	302.6	157.3	90.7	81.0	94.3
Elkhart	493.4	516.4	166.6	152.4	159.5	155.7
Evansville	118.4	130.1	95.7	146.7	137.8	137.2
Fort Wayne	292.8	271.0	117.1	98.9	102.1	114.0
Frankfort	530.7	441.9	342.1	173.6	169.2	178.4
Gary	217.2	206.4	67.3	166.1	145.3	187.5
Goshen	–	–	–	199.4	209.3	222.7
Hammond*	–	–	–	204.9	214.6	205.2
Huntington	376.9	341.0	165.5	145.8	138.0	138.7
Indianapolis	66.9	63.5	57.2	141.0	148.9	159.0
Jeffersonville	–	–	–	150.8	152.7	161.2
Kokomo	453.8	536.0	111.7	165.4	201.2	220.4
Lafayette	431.8	248.4	166.1	261.6	242.9	246.5
LaPorte	290.5	326.6	166.6	199.7	200.1	214.9
Logansport	334.8	414.9	106.5	205.4	227.9	203.7
Madison	356.1	373.9	196.9	143.7	139.7	145.6
Marion	388.1	306.6	182.8	113.2	119.0	121.8
Michigan City	326.9	314.0	181.6	798.1	734.7	201.2
Muncie	191.9	159.4	104.3	91.2	99.5	99.2
New Albany	420.7	356.8	304.6	118.0	122.8	123.8
New Castle	535.3	478.0	204.7	140.6	145.9	192.7
Peru	331.7	307.0	86.4	204.0	219.1	230.7
Richmond	227.6	219.5	192.5	130.2	140.0	135.5
Seymour	419.3	334.0	129.0	141.8	149.6	132.9
South Bend	278.4	278.2	159.4	116.0	117.7	115.0
Terre Haute	257.2	243.1	161.8	186.0	203.5	187.4
Valparaiso	–	–	24.2	203.2	191.4	193.5
Vincennes	141.3	148.6	89.6	143.1	142.5	136.4
Wabash	456.3	450.0	97.2	167.9	150.7	186.4

*Continued unemployment claims of East Chicago and Hammond are combined.

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